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CENTRAL INTELLIGENCE GROUP

INTELLIGENCE REPORT

131698
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COUNTRY Germany (Russian Zone)

DATE:

SUBJECT Dismantling of Orenstein & Koppel;
Notes on the Automobile IndustryDIST. 26
November 1947

PAGES 2

SUPPLEMENT

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25X1 ORIGIN

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1. The locomotive factory belonging to the former Orenstein and Koppel AG at Potsdam-Babelsberg is scheduled to be completely dismantled by the end of 1947. The dismantling order came as a surprise to the works directors, since the plant had been producing exclusively for reparations. It produced twelve locomotives in August and twenty modern narrow-gauge style in September 1947, working with a crew of one thousand. Moreover, the works had been previously dismantled in 1945 but rebuilt in 1946 as a state-owned enterprise. During October 1947, a Russian commission appeared at the works to make an inventory preparatory to dismantling. This information was supplied by a leading plant employee.

At the Eisenach Section of the Soviet AG für Maschinenbau (formerly VAG), preparations have been completed for the production of a new car model. This car was developed from the GAZ-HP PMW, has a four-wheel drive, and is modeled on the American jeep; it is intended for Soviet army use. The chassis and body parts are assembled in the Eisenach works, although they are manufactured in other factories; bodies are produced in the former Audi works at Zwickau. Production of large numbers is scheduled from November 1947 on. In September 1947, leading German employees of the works, including all employees in the commercial administration and the planning department, were removed but are still drawing their salaries. They believe that the measure was taken to insure secrecy of the new production. This information comes from an engineer at the PMW plant.

2. Next Review Date: 2008
3. The Audi works in Zwickau, which had been completely dismantled in 1946, were reestablished in the spring of 1947 on SMA orders. The Russians returned machines and equipment removed from the plant, and two American punch presses (Stanzpressen) not previously located there were installed in the rebuilt works. The works crew in October 1947 consisted of over forty employees and 920 workers, and more were being taken on continually. The plant is working under Russian direction, but its ownership is not clear, since it was originally seized for reparations and later turned back to Land Saxony. This information comes from works employees.

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Document No. 704 CLASSIFICATION ~~SECRET~~

NO CHANGE in Class.

DECLASSIFIED

Class. CHANGED TO RS S C

DDA Memo. 4 April 77

25X1 Auth: DDA REG 77

Date: 28 Aug 77 Approved For Release 2007-09-11 RDP82-00457R001100210004-6

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4. Immobilien Transit GmbH commenced its activities in Halle about the middle of 1947, buying up real estate and empty factory buildings on a large scale for Russian enterprises and private individuals. The Russian firm Derunapht similarly bought a block of administrative buildings belonging to the former Wintershall AG in Bitterfeld.

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